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MONTHLY WHOLESALE TRADE: SALES AND INVENTORIES September 2005

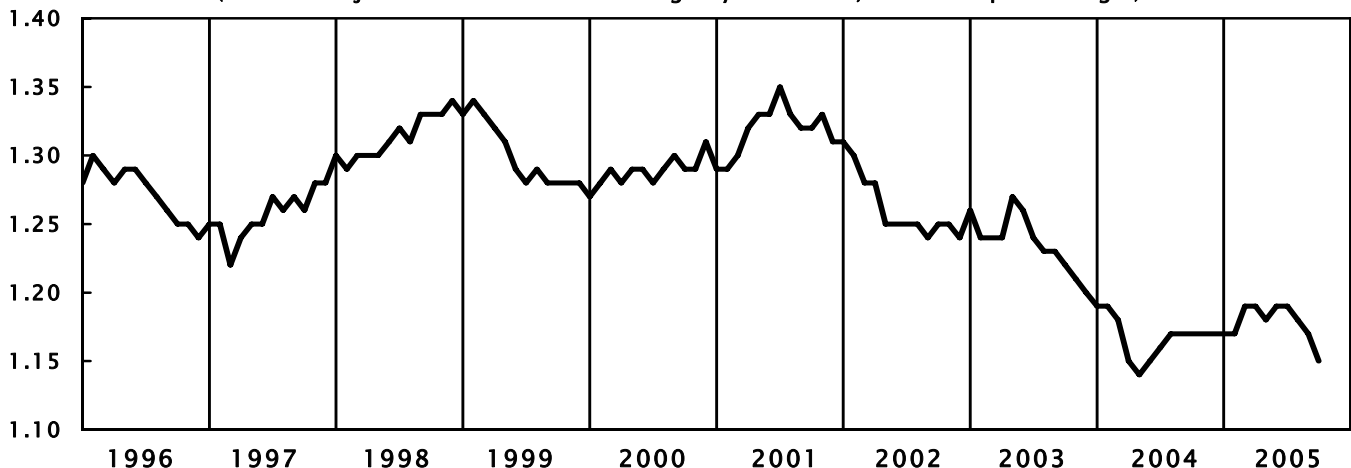
Sales. The U.S. Census Bureau announced today that September 2005 sales of merchant wholesalers, except manufacturers' sales branches and offices, after adjustment for seasonal variations and trading-day differences but not for price changes, were \$311.1 billion, up 2.4 percent (+/-0.7%) from the revised August level and were up 10.5 percent (+/-1.2%) from the September 2004 level. The August preliminary estimate was revised upward \$1.3 billion or 0.4 percent. September sales of durable goods increased 0.5 percent (+/-1.0%)* from last month and were up 8.0 percent (+/-1.7%) from a year ago. September sales of nondurable goods increased 4.3 percent (+/-0.8%) from last month and were up 13.1 percent (+/-1.5%) from last year. Sales of drugs and druggists' sundries increased 9.4 percent from last month and sales of petroleum and petroleum products increased 7.5 percent.

Inventories. Total inventories of merchant wholesalers, except manufacturers' sales branches and offices, after adjustment for seasonal variations but not for price changes, were \$356.5 billion at the end of September, up 0.6 percent (+/-0.3%) from last month, and were up 8.0 percent (+/-1.0%) from a year ago. The August preliminary estimate was revised downward \$0.1 billion. End-of-month inventories of durable goods increased 0.3 percent (+/-0.5%)* from August and were up 7.3 percent (+/-1.2%) from last September. Inventories of computer and computer peripheral equipment and supplies increased 3.8 percent, while inventories of lumber and other construction materials were down 2.7 percent. End-of-month inventories of nondurable goods increased 1.2 percent (+/-0.7%) from August and were up 9.1 percent (+/-1.5%) compared to last September. Inventories of petroleum and petroleum products increased 3.8 percent from last month and inventories of drugs and druggists' sundries were up 2.6 percent.

Inventories/Sales Ratio. The September inventories/sales ratio for merchant wholesalers, except manufacturers' sales branches and offices, based on seasonally adjusted data, was 1.15. The September 2004 ratio was 1.17.

Data in this report are based on a sample and, therefore, are subject to sampling and nonsampling error. A discussion of the reliability of the estimates and general survey methodology appears in BW/04-A Current Business Reports.

Monthly Inventories/Sales Ratios of Merchant Wholesalers, Except Manufacturers'
Sales Branches and Offices: 1996 to 2005
(Estimates adjusted for seasonal and trading-day differences, but not for price changes)



Monthly Wholesale Trade for October is scheduled to be released December 9, 2005 at 10:00 a.m. EST.

For information, visit the Census Bureau's Web site at <<http://www.census.gov/whl>>. This report is also available the day of issue through the Department of Commerce's STAT-USA (202-482-1986).

* The 90 percent confidence interval includes zero. The Census Bureau does not have sufficient statistical evidence to conclude that the actual change is different from zero.

Table 1. Estimates of Monthly Sales, Inventories, and Inventories/Sales Ratios of Merchant Wholesalers, Except Manufacturers' Sales Branches and Offices

[Total sales and inventory estimates are shown in millions of dollars. Estimates are based on data from the Monthly Wholesale Trade Survey.]

NAICS ¹ code	Kind of Business	Sales						Inventories						Inventories/Sales Ratios		
		Monthly total			Percent change			Monthly total			Percent change					
		Sep. 2005 (p)	Aug. 2005 (r)	Sep. 2004 (r)	Sep./ Aug.	Aug./ Jul.	Sep. 05/ Sep. 04	Sep. 2005 (p)	Aug. 2005 (r)	Sep. 2004 (r)	Sep./ Aug.	Aug./ Jul.	Sep. 05/ Sep. 04	Sep. 2005 (p)	Aug. 2005 (r)	Sep. 2004 (r)
Adjusted ²																
42	U.S. Total	311,054	303,781	281,412	2.4	1.8	10.5	356,528	354,386	330,201	0.6	0.5	8.0	1.15	1.17	1.17
423	Durable	152,569	151,770	141,305	0.5	2.1	8.0	223,521	222,945	208,236	0.3	-0.1	7.3	1.47	1.47	1.47
4231	Automotive	24,697	25,524	22,941	-3.2	4.4	7.7	33,381	33,412	32,911	-0.1	-1.3	1.4	1.35	1.31	1.43
4232	Furniture	5,404	5,378	5,242	0.5	-0.1	3.1	7,650	7,664	7,414	-0.2	1.4	3.2	1.42	1.43	1.41
4233	Lumber	12,419	12,149	12,045	2.2	0.6	3.1	13,849	14,226	13,220	-2.7	-0.7	4.8	1.12	1.17	1.10
4234	Prof. equip.	26,156	25,768	23,763	1.5	4.3	10.1	28,956	28,803	27,792	0.5	0.3	4.2	1.11	1.12	1.17
42343	Comp. equip.	14,213	14,032	12,999	1.3	4.4	9.3	10,896	10,496	10,340	3.8	2.5	5.4	0.77	0.75	0.80
4235	Metals	10,762	10,632	10,707	1.2	1.9	0.5	19,412	19,678	17,960	-1.4	-2.2	8.1	1.80	1.85	1.68
4236	Electrical	22,467	22,745	21,538	-1.2	1.5	4.3	27,575	27,608	26,194	-0.1	-0.5	5.3	1.23	1.21	1.22
4237	Hardware	7,031	7,040	6,539	-0.1	1.9	7.5	13,051	12,977	12,000	0.6	1.1	8.8	1.86	1.84	1.84
4238	Machinery	27,132	26,629	23,315	1.9	0.0	16.4	56,815	56,447	49,103	0.7	1.9	15.7	2.09	2.12	2.11
4239	Misc. Durable	16,501	15,905	15,215	3.7	2.1	8.5	22,832	22,130	21,642	3.2	-1.9	5.5	1.38	1.39	1.42
424	Nondurable	158,485	152,011	140,107	4.3	1.4	13.1	133,007	131,441	121,965	1.2	1.4	9.1	0.84	0.86	0.87
4241	Paper	7,465	7,250	6,743	3.0	3.4	10.7	7,334	7,294	6,637	0.5	2.4	10.5	0.98	1.01	0.98
4242	Drugs	29,755	27,198	25,761	9.4	1.6	15.5	27,519	26,826	30,283	2.6	0.8	-9.1	0.92	0.99	1.18
4243	Apparel	9,574	9,415	9,116	1.7	-5.0	5.0	16,472	16,441	14,808	0.2	0.5	11.2	1.72	1.75	1.62
4244	Groceries	36,208	35,936	34,603	0.8	0.8	4.6	23,487	23,340	22,236	0.6	1.7	5.6	0.65	0.65	0.64
4245	Farm products	9,597	9,182	10,367	4.5	-6.5	-7.4	11,861	12,072	9,419	-1.7	-1.4	25.9	1.24	1.31	0.91
4246	Chemicals	7,178	7,113	6,313	0.9	1.8	13.7	7,535	7,535	6,791	0.0	1.6	11.0	1.05	1.06	1.08
4247	Petroleum	34,054	31,680	24,498	7.5	6.6	39.0	9,668	9,316	5,873	3.8	6.4	64.6	0.28	0.29	0.24
4248	Alcohol	8,049	7,999	7,237	0.6	3.3	11.2	8,952	8,883	7,918	0.8	4.2	13.1	1.11	1.11	1.09
4249	Misc. Nondur.	16,605	16,238	15,469	2.3	-0.6	7.3	20,179	19,734	18,000	2.3	0.9	12.1	1.22	1.22	1.16
Not Adjusted														Sales to date		
														2005	2004	
42	U.S. Total	317,998	318,533	287,225	-0.2	11.3	10.7	353,518	350,686	327,746	0.8	-0.3	7.9	2,673,087	2,466,848	
423	Durable	158,615	159,244	146,612	-0.4	11.6	8.2	222,565	223,470	207,410	-0.4	-1.0	7.3	1,338,453	1,243,863	
4231	Automotive	24,080	26,519	22,276	-9.2	12.2	8.1	32,613	31,975	32,121	2.0	-5.8	1.5	214,551	203,419	
4232	Furniture	5,815	5,884	5,572	-1.2	13.9	4.4	7,826	7,932	7,592	-1.3	2.4	3.1	47,711	45,348	
4233	Lumber	13,363	13,801	12,973	-3.2	11.8	3.0	13,641	14,212	13,035	-4.0	-1.9	4.6	111,942	107,230	
4234	Prof. equip.	28,719	26,077	26,401	10.1	11.7	8.8	29,014	29,091	27,875	-0.3	0.1	4.1	222,346	216,162	
42343	Comp. equip.	15,933	14,130	14,845	12.8	11.2	7.3	10,809	10,506	10,257	2.9	1.0	5.4	122,529	118,666	
4235	Metals	11,053	11,440	10,889	-3.4	10.9	1.5	19,160	19,580	17,780	-2.1	-2.8	7.8	99,808	89,478	
4236	Electrical	23,658	24,041	22,615	-1.6	11.2	4.6	27,933	28,160	26,561	-0.8	-0.4	5.2	200,289	189,698	
4237	Hardware	7,277	7,653	6,670	-4.9	13.3	9.1	13,025	13,042	11,976	-0.1	0.7	8.8	62,399	58,133	
4238	Machinery	28,000	28,067	23,758	-0.2	9.6	17.9	56,247	57,237	48,612	-1.7	1.2	15.7	236,133	204,990	
4239	Misc. Durable	16,650	15,762	15,458	5.6	12.9	7.7	23,106	22,241	21,858	3.9	-1.7	5.7	143,274	129,405	
424	Nondurable	159,383	159,289	140,613	0.1	11.1	13.3	130,953	127,216	120,336	2.9	1.1	8.8	1,334,634	1,222,985	
4241	Paper	7,793	7,866	7,040	-0.9	18.6	10.7	7,334	7,338	6,617	-0.1	3.5	10.8	63,381	58,565	
4242	Drugs	30,201	27,660	26,225	9.2	12.0	15.2	27,574	25,592	30,313	7.7	-2.6	-9.0	243,728	219,579	
4243	Apparel	10,273	10,592	10,000	-3.0	8.9	2.7	17,147	17,312	15,400	-1.0	2.1	11.3	86,746	82,055	
4244	Groceries	35,918	37,697	34,499	-4.7	6.8	4.1	23,440	23,200	22,192	1.0	3.0	5.6	320,016	306,779	
4245	Farm products	8,906	8,328	9,538	6.9	1.7	-6.6	9,489	9,416	7,639	0.8	-4.7	24.2	81,995	95,006	
4246	Chemicals	7,271	7,625	6,389	-4.6	12.9	13.8	7,452	7,490	6,723	-0.5	0.5	10.8	63,042	55,153	
4247	Petroleum	34,871	33,866	24,425	3.0	15.9	42.8	9,842	9,344	5,967	5.3	9.3	64.9	257,917	206,737	
4248	Alcohol	7,960	8,719	7,136	-8.7	15.7	11.5	9,122	8,856	8,061	3.0	2.3	13.2	68,711	61,387	
4249	Misc. Nondur.	16,190	16,936	15,361	-4.4	10.0	5.4	19,553	18,668	17,424	4.7	1.1	12.2	149,098	137,724	

^p Preliminary estimate. ^r Revised estimate.

¹ For a full description of the NAICS codes used in this table, see the 2002 NAICS manual or <http://www.census.gov/epcd/www/naics.html>.

² Estimates are adjusted for seasonal variation and, in the case of sales, also for trading-day differences. See Table 3 for the seasonal adjustment factors used. Cumulative seasonally adjusted sales estimates are not tabulated.

Note: Estimates have not been adjusted for price changes. Table 2 provides estimated measures of sampling variability. Additional information on confidentiality protection, sampling error, nonsampling error, sample design, and definitions may be found at <http://www.census.gov/svsd/www/mwtsreliability.html>.

Table 2. Estimated Measures of Sampling Variability of Monthly Wholesale Sales and Inventory Estimates

[Estimates are shown as percents and are based on data from the Monthly Wholesale Trade Survey.]

NAICS code	Kind of Business	Median coefficient of variation for monthly total				Median standard error for percent change				Coefficient of variation for total		Standard error for percent change
		Preliminary estimates		Final estimates		Ratio of two consecutive months		Current month to current month last year		Sales to date		Current year sales to date
		Sales	Inv.	Sales	Inv.	Sales	Inv.	Sales	Inv.	Current year	Previous year	to previous year sales to date
42	U.S. Total	1.4	1.5	1.4	1.5	0.4	0.2	0.7	0.6	1.3	1.0	0.6
423	Durable	1.3	1.8	1.4	1.8	0.6	0.3	1.0	0.7	1.3	1.1	0.6
4231	Automotive	3.3	4.3	3.3	4.1	1.2	0.8	1.5	1.7	3.2	3.3	1.1
4232	Furniture	7.5	10.1	7.5	9.9	1.7	0.7	2.9	3.4	7.5	7.7	2.0
4233	Lumber	5.7	7.2	5.7	7.2	1.6	1.0	2.7	2.8	5.5	5.3	1.6
4234	Prof. equip.	4.5	6.3	4.5	6.3	1.3	0.6	3.2	2.5	4.2	4.5	1.8
42343	Comp. equip.	9.8	13.3	9.8	13.3	2.2	1.3	3.6	2.8	9.1	9.1	1.9
4235	Metals	6.3	10.6	6.2	10.6	1.5	0.8	3.3	3.5	6.1	7.4	2.0
4236	Electrical	4.1	6.2	4.0	6.2	1.2	0.7	1.7	1.6	3.9	4.0	1.0
4237	Hardware	7.0	8.8	7.1	8.8	1.2	0.5	1.5	1.9	6.8	7.1	0.9
4238	Machinery	4.7	4.2	4.6	4.2	1.5	0.5	2.6	1.1	4.5	4.3	1.8
4239	Misc. Durable	4.1	8.1	4.1	7.9	1.4	0.7	2.4	2.4	4.0	4.0	1.6
424	Nondurable	2.2	2.3	2.2	2.3	0.5	0.4	0.9	0.9	2.3	1.9	0.8
4241	Paper	6.1	5.4	5.8	5.3	1.2	0.6	1.8	2.5	5.7	4.9	1.1
4242	Drugs	5.2	5.5	5.1	5.5	0.8	0.4	1.2	1.2	5.3	5.0	1.0
4243	Apparel	5.8	4.8	5.8	4.8	2.0	1.0	2.4	2.8	5.8	5.0	2.2
4244	Groceries	3.7	7.2	3.7	7.2	0.8	0.8	1.4	1.6	3.6	2.8	1.2
4245	Farm products	7.0	10.0	7.0	9.8	1.9	2.2	2.1	3.5	6.8	7.6	1.2
4246	Chemicals	5.0	6.0	5.0	6.1	0.9	0.7	1.7	2.0	4.9	5.1	1.3
4247	Petroleum	9.8	10.1	9.8	10.2	0.9	1.5	2.4	3.4	9.8	8.7	2.0
4248	Alcohol	4.8	5.3	4.8	5.3	1.3	0.7	1.9	1.8	5.1	4.7	1.5
4249	Misc. Nondur.	7.9	8.9	8.0	9.0	2.0	1.1	3.0	3.3	8.0	8.2	1.7

Note: Estimated measures of sampling variability are based on estimates unadjusted for seasonal variation or trading-day differences. Medians are based on estimates for the most recent 12 months. Additional information on confidentiality protection, sampling error, nonsampling error, sample design, and definitions may be found at <http://www.census.gov/svsd/www/mwtsreliability.html>.

Reliability of the Estimates

Because the estimates presented in this report are based on a sample survey, they may contain sampling error and nonsampling error.

Sampling error is the difference between the estimate and the result that would be obtained from a complete enumeration of the sampling frame conducted under the same survey conditions. This error occurs because only a subset of the entire sampling frame is measured in a sample survey. Standard errors and coefficients of variation (CV), as given in Table 2 of this report, are estimated measures of sampling variation.

The margin of sampling error, as used on page 1, gives a range about the estimate which is a 90-percent confidence interval. If, for example, the percent change estimate is +1.2 percent and its estimated standard error is 0.9 percent, then the margin of sampling error is $\pm 1.645 \times 0.9$ percent or ± 1.5 percent, and the 90 percent confidence interval is -0.3 percent to +2.7 percent. If the interval contains 0, then one does not have sufficient statistical evidence to conclude at the 90 percent confidence level that the change is different from zero and therefore the change is not statistically significant. Estimated changes shown in the text are statistically significant unless otherwise noted. For a monthly total, the median estimated coefficient of variation (CV) is given. The resulting confidence interval is the estimated value $\pm 1.645 \times CV \times$ (the estimated value). The Census Bureau recommends that individuals using estimates in this report incorporate this information into their analyses, as sampling error could affect the conclusions drawn from the estimates.

Nonsampling error encompasses all other factors that contribute to the total error of a sample survey estimate. This type of error can occur because of nonresponse, insufficient coverage of the universe of wholesale businesses, mistakes in the recording and coding of data, model error, and other errors of collection, response, coverage, or processing. Although nonsampling error is not measured directly, the Census Bureau employs quality control procedures throughout the process to minimize this type of error.

Table 3. Seasonal Adjustment Factors for Monthly Wholesale Sales and Inventory Estimates
 [Seasonal adjustment factors are computed using the Census Bureau's X-12 ARIMA program and are based on data from the Monthly Wholesale Trade Survey.]

NAICS code	Kind of Business	Sales						Inventories					
		2005					2004	2005					2004
		Oct.	Sep.r	Aug.r	Jul.	Jun.	Sep.r	Oct.	Sep.r	Aug.r	Jul.	Jun.	Sep.r
42	U.S. Total ¹	1.015	1.022	1.047	0.956	1.041	1.020	1.006	0.990	0.988	0.997	0.992	0.991
423	Durable	1.013	1.042	1.055	0.959	1.063	1.038	0.998	0.995	1.002	1.012	1.003	0.996
4231	Automotive	0.992	0.975	1.039	0.966	1.054	0.971	1.002	0.977	0.957	1.003	0.998	0.976
4232	Furniture	1.037	1.076	1.094	0.959	1.045	1.063	1.007	1.023	1.035	1.025	1.007	1.024
4233	Lumber	1.019	1.076	1.136	1.022	1.105	1.077	0.955	0.985	0.999	1.011	1.027	0.986
4234	Prof. equip.	0.989	1.098	1.012	0.945	1.109	1.111	1.022	1.002	1.010	1.012	0.992	1.003
42343	Comp. equip.	0.988	1.121	1.007	0.945	1.122	1.142	1.020	0.992	1.001	1.015	1.002	0.992
4235	Metals	0.980	1.027	1.076	0.988	1.060	1.017	0.981	0.987	0.995	1.001	0.998	0.990
4236	Electrical	1.038	1.053	1.057	0.965	1.049	1.050	1.000	1.013	1.020	1.019	1.003	1.014
4237	Hardware	1.020	1.035	1.087	0.977	1.097	1.020	0.987	0.998	1.005	1.009	1.011	0.998
4238	Machinery	0.988	1.032	1.054	0.962	1.069	1.019	0.984	0.990	1.014	1.021	1.022	0.990
4239	Misc. Durable	1.069	1.009	0.991	0.896	1.007	1.016	1.024	1.012	1.005	1.003	0.983	1.010
424	Nondurable	1.018	1.002	1.039	0.953	1.015	1.003	1.021	0.984	0.966	0.972	0.974	0.984
4241	Paper	1.027	1.044	1.085	0.946	1.037	1.044	1.008	1.000	1.006	0.995	1.005	0.997
4242	Drugs	0.999	1.015	1.017	0.923	1.018	1.018	1.016	1.002	0.954	0.987	0.995	1.001
4243	Apparel	1.054	1.073	1.125	0.981	1.008	1.097	1.006	1.041	1.053	1.037	1.017	1.040
4244	Groceries	1.013	0.992	1.049	0.990	1.026	0.997	1.031	0.998	0.994	0.981	0.986	0.998
4245	Farm products	1.092	0.928	0.907	0.834	0.911	0.920	1.017	0.800	0.780	0.807	0.851	0.811
4246	Chemicals	0.984	1.013	1.072	0.966	1.064	1.012	0.989	0.989	0.994	1.005	1.001	0.990
4247	Petroleum	1.014	1.024	1.069	0.983	0.991	0.997	0.991	1.018	1.003	0.976	0.954	1.016
4248	Alcohol	0.978	0.989	1.090	0.974	1.117	0.986	1.052	1.019	0.997	1.015	1.017	1.018
4249	Misc. Nondur.	0.946	0.975	1.043	0.943	1.030	0.993	1.014	0.969	0.946	0.944	0.951	0.968

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¹ Adjusted sales and inventory estimates for detailed kind-of-business levels in Table 1 are computed by dividing each unadjusted estimate by the seasonal adjustment factor for the corresponding kind of business and month. Adjusted estimates for broad kind-of-business levels are obtained by summing adjusted estimates at the appropriate detailed levels. Seasonal factors shown for broad kind-of-business levels may be used to approximate adjusted estimates at these levels, but the resulting estimates may differ slightly from the published estimates.

Note: The seasonal adjustment factors shown are estimates derived from a model that uses sample survey data as input. Therefore, these estimates may contain sampling error and nonsampling error. Additional information on the general form of the model and the X-12 ARIMA program may be found at <http://www.census.gov/srd/www/x12a/>.

Description of the Survey

The U.S. Census Bureau conducts the Monthly Wholesale Trade Survey (MWTS) to provide national estimates of monthly sales, end-of-month inventories, and inventory-to-sales ratios by kind of business for wholesale firms located in the United States. Specifically, the MWTS covers wholesale merchants who sell goods on their own account and include such businesses as wholesale merchants or jobbers, industrial distributors, exporters, and importers. Sales offices and branches maintained by manufacturing, refining, or mining firms for the purpose of marketing their products are not covered in this report. Also excluded is NAICS Industry Group 4251: Wholesale Electronic Markets and Agents and Brokers.

The MWTS sample was selected using a stratified, one-stage design with strata defined by kind of business (e.g., Automotive, Furniture, Lumber, etc.) and annual sales size. The sample includes firms of all sizes and is updated on a quarterly basis to account for new wholesale firms, deaths, and other changes to the wholesale universe. Each month, questionnaires are mailed to a probability sample of approximately 4,000 employer firms. Data for nonresponding firms are imputed based on data for similar-sized firms classified in the same kind of business. Approximately 31% of the total sales estimate and 33% of the total end-of-month inventory estimate is based on imputed data. Monthly sales and inventory estimates are obtained by summing weighted data (either reported or imputed). The monthly estimates are benchmarked to annual survey estimates and are adjusted for seasonal variation and trading-day differences. Individuals who use estimates in this report to create new estimates should cite the Census Bureau as the source of only the original estimates. Additional information on the MWTS can be found on the Census Bureau website at:

<http://www.census.gov/econ/www/retmenu.html#WHOL>.